### **Energy Efficiency:**

## A Key to Getting Out of the Greenhouse

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For the League of Women Voters Meeting Albany, California, December 4, 2007

# Are Frogs Smarter than Humans?

## Everything can always be done better than it is.

- Henry Ford

# The Kakelung: Product of an Early Energy Crisis in Sweden

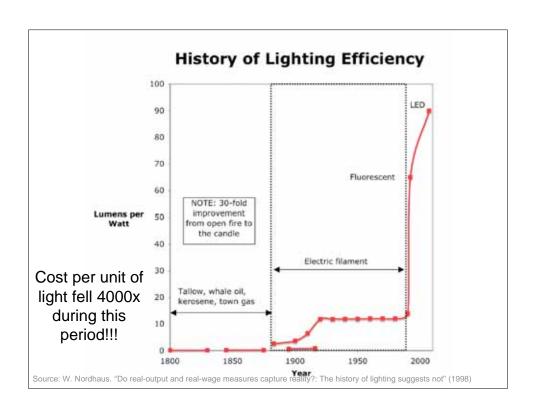




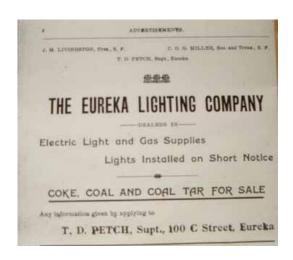
# Today's washer-dryers 100x more efficient than coal-fired laundries





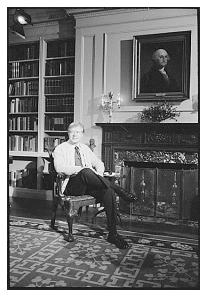


## **Energy Services**



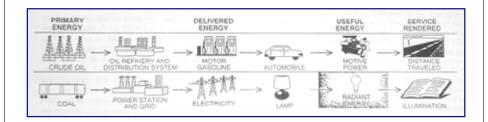
# Use of LBNL's Bevatron Was Once Constrained by Inefficiency





President Carter's (in)famous "Fireside Chat" on Energy - February 2,1977

## **Energy Services**



### Potent Analogies, ala Rosenfeld

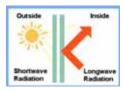






Rate of heat loss from US windows = rate of energy flowing through Alaska Pipeline

### Potent Analogies, ala Rosenfeld

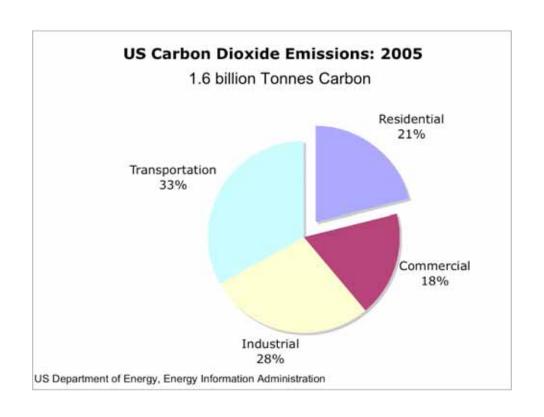


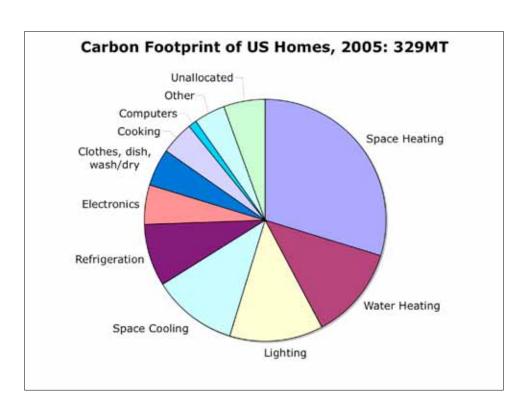


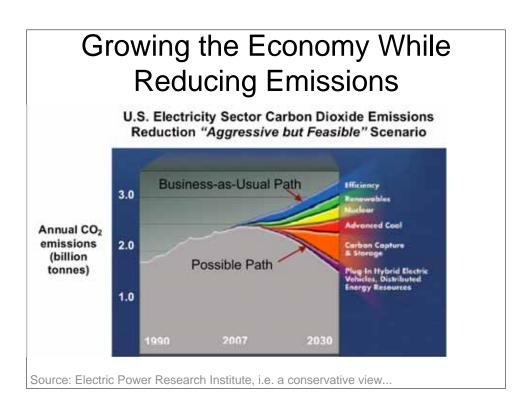
Offshore Oil Rig: \$300 million

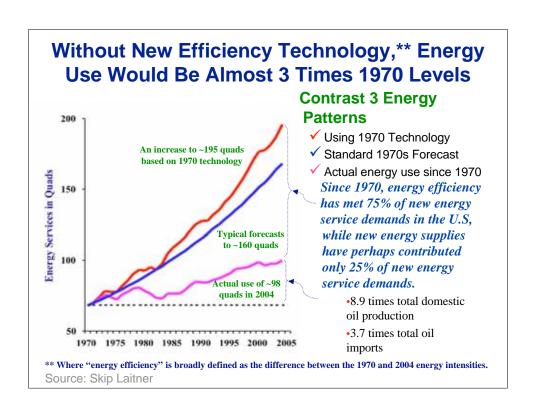


Low-E Window Plant: \$6 million

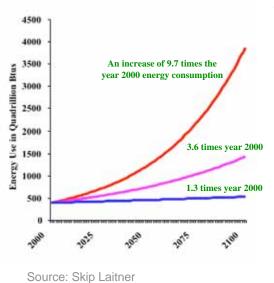












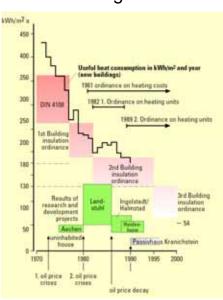
#### **Contrast 3 Scenarios**

- ✓ Using Year 2000 Technology
- ✓ Assuming a standard 1% Annual Rate of Improvement in Energy Efficiency
- Assuming a 2% Annual Rate of Improvement in Energy Efficiency

Where each scenario assumes a 2.3 percent level of worldwide economic growth (in GDP) over a 100year period, but employs a different mix of technologies and efficiency improvements.

The "silent efficiency revolution": Development of useful heat consumption in *new* buildings in Germany

75%
 reduction in
 heating
 energy
 needs over
 just 30
 years.

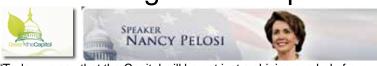


### Low-Hanging Fruit



Outdoor lights on during day at school in Mexico....

### Greening of the Capitol



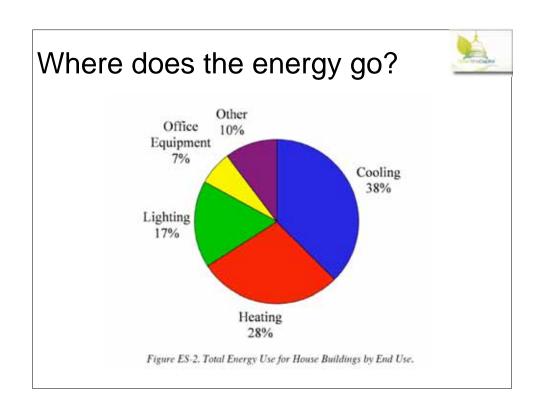
"Today we say that the Capitol will be not just a shining symbol of our democracy, but a symbol of our commitment to the future. Not only by the power of our ideas on energy independence, but by the power of our example, we hope to send a message to the world and to the country."

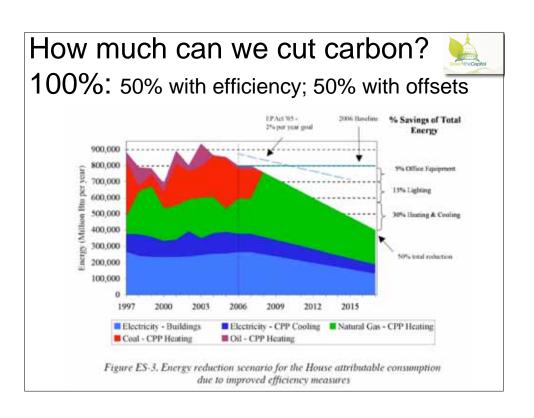
- Speaker Pelosi, June 21, 2007

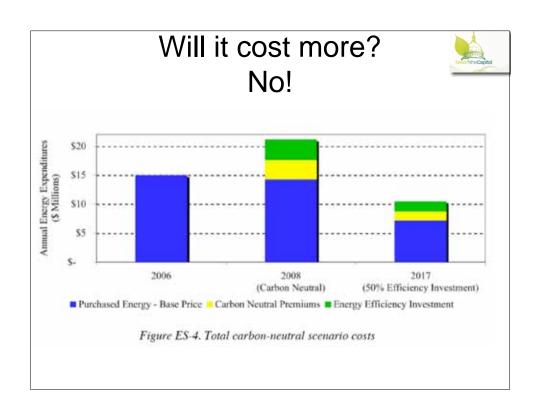
#### Green the Capitol Initiative

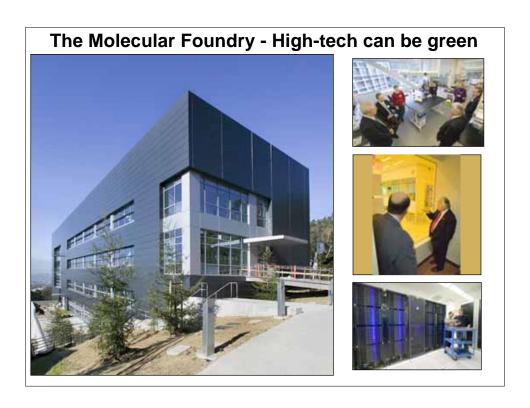


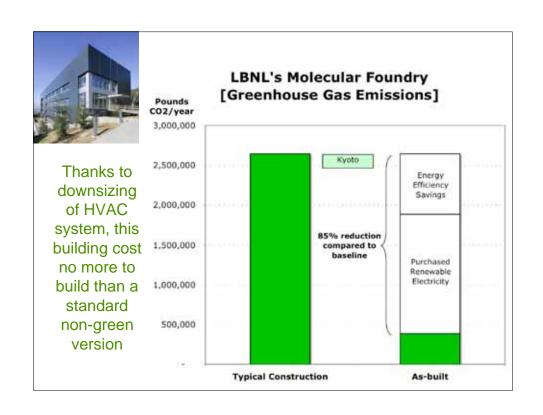
Source: http://cao.house.gov/greenthecapitol/











## The Specter of Fuel-Based Lighting





India: street vendor (Varanassi)

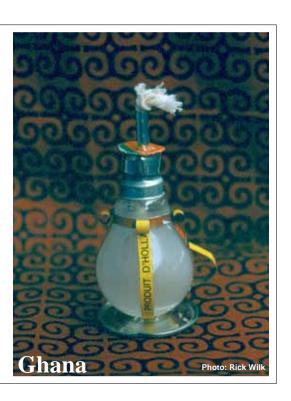
#### "We will make electricity so cheap that only the rich will burn candles"

- Thomas Edison



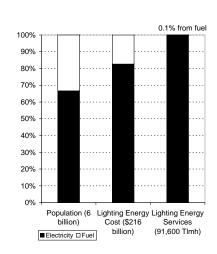
In the developing world, 14% of urban households and 49% of rural households have no electricity ... (2000 data)

... In fact, there are more non-electrified households today than the total number in Edison's time.



### **Lighting Inequities**

Although one in three people obtain light with kerosene and other fuels - paying \$40 billion/year - about 20% of global lighting costs, they receive only 0.1% of the resulting lighting energy services



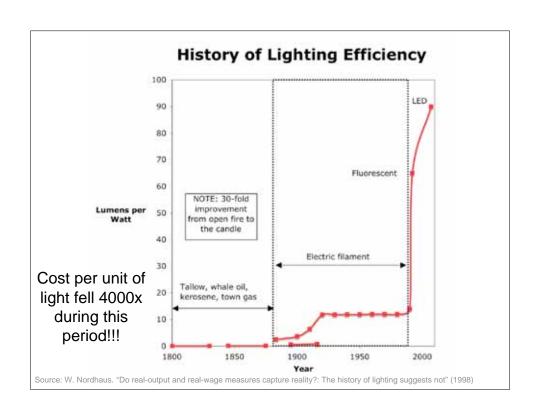
## Studying by roadlight at Guinea airport (80% of population unelectrified)



#### White Light-emitting Diodes ("LEDs")

- Efficient
- Long life
- · Low voltage
- Directional
- Portable
- Rugged
- No mercury
- Common batteries
- 10-100x the service level of flame light











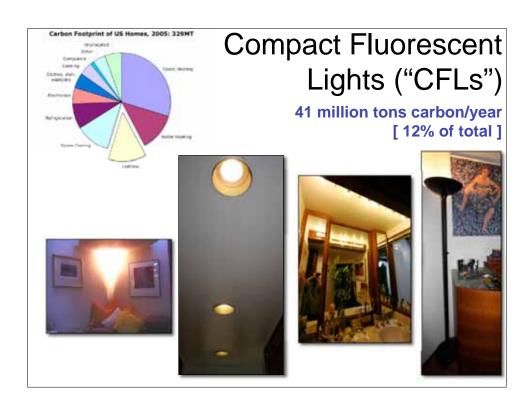


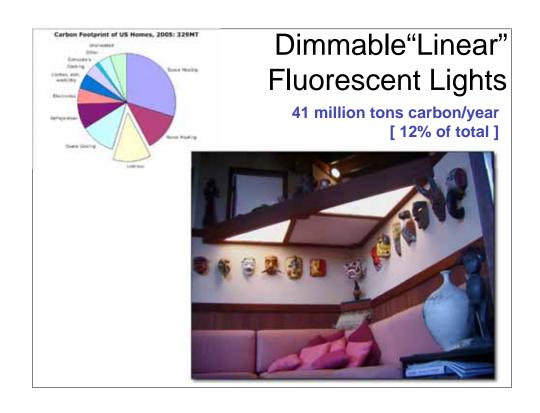


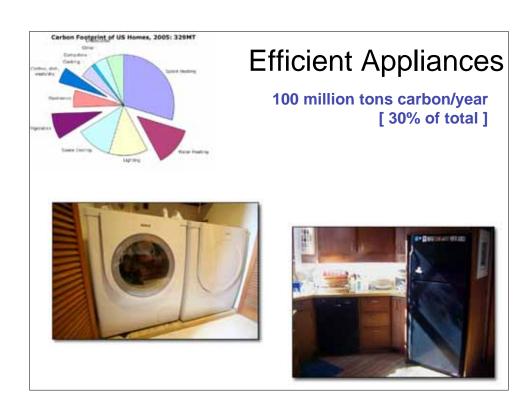


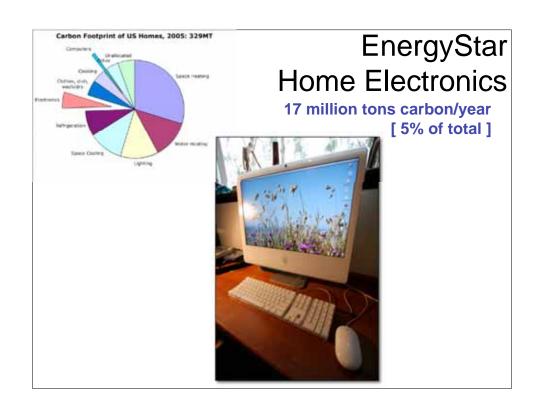


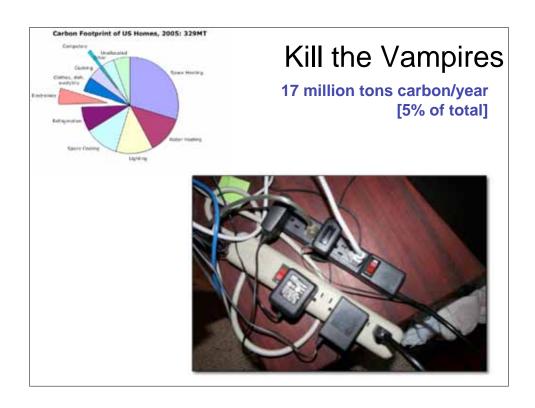


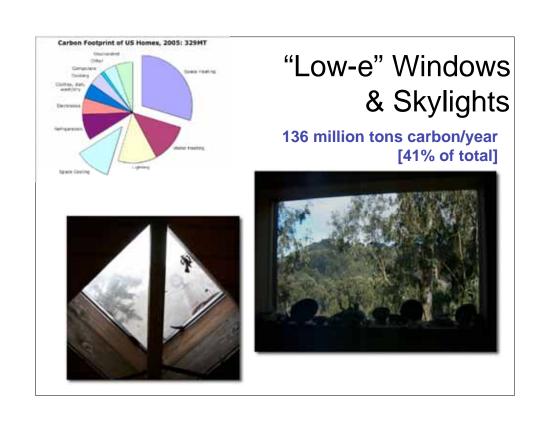


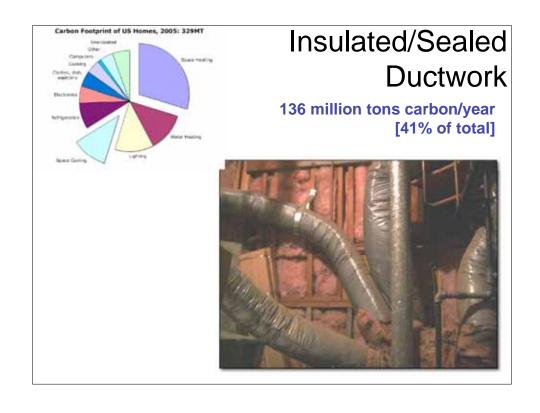












## Time-of-Use (TOU) Electricity Tariff

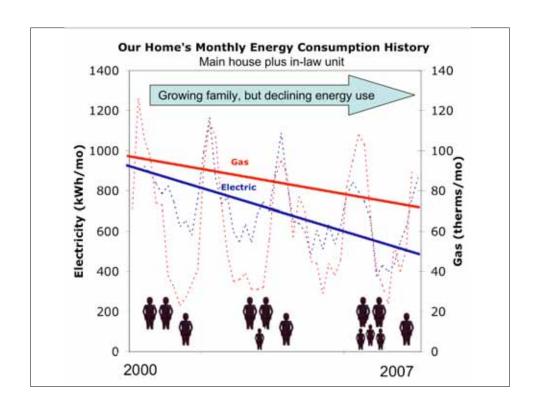
Advanced digital metering - logs electricity use by time of day and year

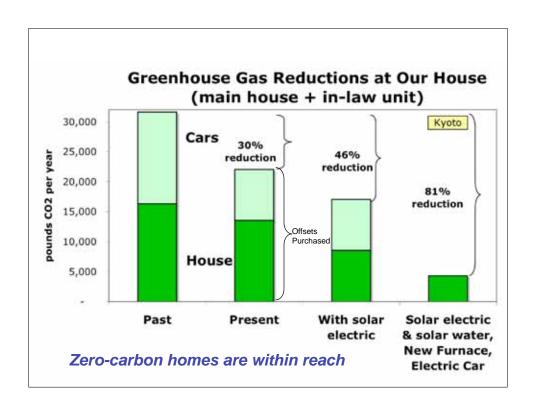
Encourages use of electricity during off-peak periods; maximizes payments for solar-generated electricity sold back to grid

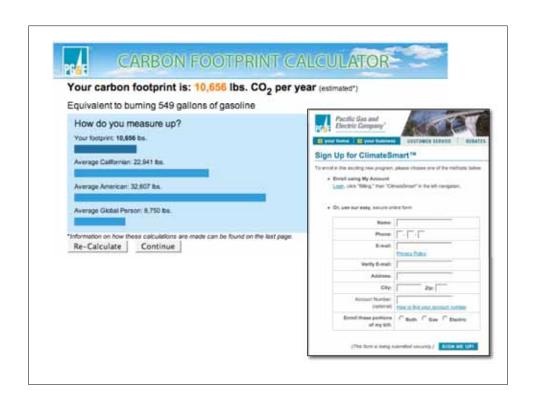


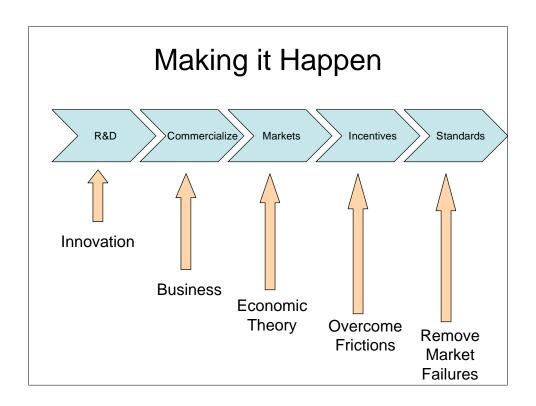
# Improved vehicle fuel efficiency [3x savings vs prior vehicle]











## Aligning Terms & Conditions with Risk-reducing Behavior

- Insurance discounts of up to 40% for low mileage:
  - GMAC
  - Progressive
  - Norwich Union
  - Polis Direct
  - Rheinland
  - Versicherungen
  - Aioi
  - Axa
  - Hollard
  - Gerling
  - Unigard
  - Sompo and Tokio Marine
     Nichido

250,000 policies in Europe as of 2007. \$700M revenues projected by 2010



General Motors Acceptance Corporation (GMAC) PAYD discount schedule.

Miles/year	Discount offered
1 – 2,500 miles	40%
2,501 - 5,000	33%
5,001 - 7,500	28%
7,501 – 10,000	20%
10,001 - 12,500	11%
12,501 - 15,000	5%
15,001 - 99,999	0%

Some use GPS --> stolen-vehicle recovery; avoids reporting fraud

# Aligning Terms & Conditions with Risk-reducing Behavior

- Travelers offers 10% premium discount to drivers of hybrids
- Swiss Re seeking D&O disclosure from insureds



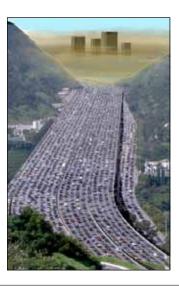
#### **Innovative Products**

• Insurance Australia Group offering on-line automobile carbon-offset service for customers



# Building Awareness & Formulation of Public Policy

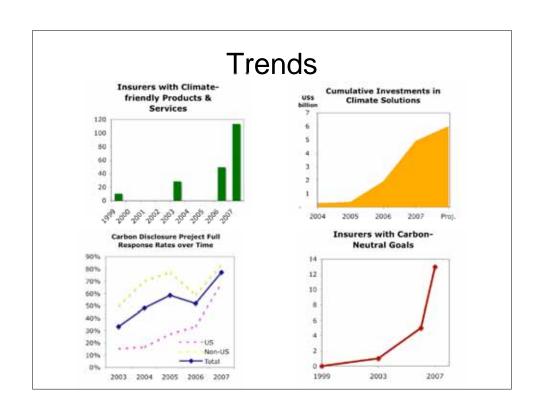
American Insurance
 Association - Endorsing
 public transportation;
 reduced speed limits;
 telecommuting based on
 win-win benefits to
 insurers



#### **Innovative Products**

- AIG: first-ever residential "Green-Buildings" insurance being launched this year
  - Rebuilding to green standards after loss
- Fireman's Fund: first U.S. commercial & residential "Green-Buildings Insurance"
  - 5% premium credits for green features
  - Rebuild green after loss
- Lloyds of London (Naturesave): personal lines; commercial lines
  - 10 percent of premiums donated to environmental projects
  - environmental performance surveys offered to policyholders





## http://HomeEnergySaver.lbl.gov



